

14<sup>th</sup> September, 2017

To,  
The Secretary  
The Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

Scrip Code: BSE 533006

Dear Sir/Madam.

**Sub: Outcome of Board Meeting held on 14<sup>th</sup> September, 2017.**

1. Pursuant to the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, we have to inform you that the Board of Directors of the company at their meeting held today considered and approved, inter alia, the following:

Statement of Standalone Un-Audited Financial Results of the Company as per Regulation 33 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 for the quarter ended 30<sup>th</sup> June, 2017.

A copy of the Un-Audited financial results (Standalone) for the quarter ended 30<sup>th</sup> June, 2017 is enclosed for your records and reference.

2. The Company adopted Indian Accounting Standards (Ind AS) w.e.f 1st April, 2017 under Section 133 of the Companies Act, 2013 read with relevant rules issued there under. Accordingly, the Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 2017 have been prepared in accordance with Ind AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5<sup>th</sup> July, 2015 further, the transaction date being 1st April, 2016. Results for the quarter ended 30<sup>th</sup> June, 2017 have been presented after incorporating the applicable Ind AS adjustments. The Reserve as per the Balance Sheet of the previous accounting year ended 31<sup>st</sup> March, 2017, not being mandatory is not presented.

The Company Adopted Indian Accounting Standards (Ind AS) from 1<sup>st</sup> April, 2017 and accordingly these Financial Results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS interim Financial Reporting prescribed.

The meeting had started at 4.30 pm and ended at 5.55pm.

Kindly take the same on your records & oblige.

Thanking you,

Yours faithfully

For Birla Cotsyn (India) Limited

*Vineeta Shah*

Vineeta Shah

Company Secretary



**Statement of Standalone Profit and Loss for the Quarter Ended 30th June,2017**

₹ in Lakh

SN	Particulars	Quarter Ended	
		30-Jun-17	30-Jun-16
		Un audited	Un audited
I	Revenue From operations	2,965.83	2,573.11
II	Other Income	154.93	92.95
III	Total Income (I+II)	3,120.77	2,666.07
IV	EXPENSES		
	Cost of materials consumed	1,952.55	1,769.42
	Purchases of Stock-in-Trade	-	-
	Changes in inventories of finished goods, Stock-in -Trade and workin-progress	275.66	35.72
	Employee benefits expense	151.85	166.80
	Finance costs	2,026.90	1,718.77
	Depreciation and amortization expenses	339.87	341.89
	Other expenses	479.96	563.44
	Total expenses (IV)	5,226.78	4,596.05
V	Profit/(loss) before exceptional items and tax (I-IV)	(2,106.02)	(1,929.98)
VI	Exceptional Items	-	-
VII	Profit/ (loss) before exceptions items and tax(V-VI)	(2,106.02)	(1,929.98)
VIII	Tax expense:		
	(1) Current tax	0	0
	(2) Deferred tax	0	0
IX	Profit (Loss) for the period from continulng operations (VII-VIII)	(2,106.02)	(1,929.98)
X	Paid - up equity share capital (Face value of Rs.1/- per share)	26,686.35	26,686.35
XI	Earning per equity share (continuing operation)		
	(1)Basic	(0.08)	(0.07)
	(2) Diluted	(0.08)	(0.07)

**Notes:**

- The above financial results have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors at their respective meetings held on 14th September, 2017.
- The above financial results of the Company for the quarter ended 30th June, 2017 are available at the Company's website [www.birlacotsyn.com](http://www.birlacotsyn.com) and the website of the stock exchange i.e [www.bseindia.com](http://www.bseindia.com).
- The Company adopted Indian Accounting Standards (Ind AS) w.e.f 1st April, 2017 under Section 133 of the Companies Act, 2013 read with relevant rules issued therunder. Accordingly, the Financial Results of the Company for the quarter ended 30th June, 2017 have been prepared in accordance with Ind As and Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and SEBI circular dated 5th July, 2015, further, the transition date being 1st April, 2016. Results for the quarter ended 30th June, 2017 have been presented after incorporating the applicable Ind As adjustments. The Reserve as per the Balance Sheet of the previous accounting year ended 31st March, 2017, not being mandatory is not presented.

The Company Adopted Indian Accounting Standards (Ind AS) from 1st April, 2017 and accordingly these Financial Results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS interim Financial

For Birla Cotsyn (India) Limited

  
 Rakesh Kumar Dixit  
 Director  
 DIN: 06655663



Date: 14th September, 2017  
 Place: Mumbai

**BIRLA COTSYN (INDIA) LIMITED**  
 Regd. Office :- 1st Floor, Dalamal House, J.B.Marg,  
 Nariman Point, Mumbai - 400 021.  
 CIN-L17110MH1941PLC003429  
 Tel +91 22 66168400/ +91 22 22026340  
 Email : complianceofficer@birlacotsyn.com

**STANDALONE SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE  
 QUARTER ENDED 30TH JUNE, 2017**

₹ in Lakh

SN	Particulars	Quarter Ended	
		30-Jun-17	30-Jun-16
		unaudited	unaudited
1	Segment Revenue (net sale/income from each segment should be disclosed under this head)		
	a. Textile - Yarn	2,965.83	2,573.11
	b. Textile - Fabrics	-	-
	c. Others	13.93	74.09
	d. Unallocated	-	-
	<b>Total</b>	<b>2,979.76</b>	<b>2,647.20</b>
Less:	Inter Segment Revenue	-	-
	<b>Net Sales / Income from Operations</b>	<b>2,979.76</b>	<b>2,647.20</b>
2	Segment Results (Profit(+)/ Loss (-) before tax and interest from Each Segment) #		
	a. Textile - Yarn	(220.13)	(252.75)
	b. Textile - Fabrics	-	-
	c. Others	-	22.68
	d. Unallocated	-	-
	<b>Total</b>	<b>(220.13)</b>	<b>(230.07)</b>
Less:	i) Interest**	2,026.90	1,718.77
	ii) Other Un-allocable Expenditure net off	-	-
	iii) Un-allocable income	141.01	18.87
	<b>Total Profit / (Loss) before Tax</b>	<b>(2,106.02)</b>	<b>(1,929.98)</b>
3	(Segment Assets)		
	a. Textile - Yarn	15,631.79	17,115.13
	b. Textile - Fabrics	-	-
	c. Others	448.73	217.16
	d. Unallocated	19,872.63	19,843.70
	<b>Total</b>	<b>35,953.15</b>	<b>37,175.99</b>
4	(Segment Liabilities)		
	a. Textile - Yarn	2,952.47	2,990.60
	b. Textile - Fabrics	-	-
	c. Others	448.73	217.33
	d. Unallocated	53,364.25	45,777.65
	<b>Total</b>	<b>56,765.45</b>	<b>48,985.57</b>
	<b>Net (3-4)</b>	<b>(20,812.30)</b>	<b>(11,809.57)</b>

# Profit/ Loss before tax and after interest in case of segments having operations which are primarily of financial nature.

\*\* Other than the interest pertaining to the segments having operations which are primarily of financial nature.

NOTE :-

Textile includes Manufacture of Synthetic Yarn, Cotton Yarn, Ginning and Pressing Others includes Manufacture of the Oil Cake.

For Birla Cotsyn (India) Limited

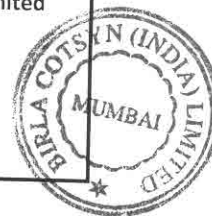
  
R.K. Dixit

Director

DIN - 06655663

Place : Mumbai

Date : 14th September, 2017



**BIRLA COTSYN (INDIA) LIMITED**  
 Regd. Office :- 1st Floor, Dalamal House, J.B.Marg,  
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**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2017**

₹ in Lakh

SN	Particulars	Quarter Ended	
		30-Jun-17 Un-audited	30-Jun-16 Un-audited
1	Total income from operations	2,965.83	2,573.11
2	Net Profit / (Loss) for the period (Before Tax, Exceptional and/or Extraordinary items)	(2,106.02)	(1,929.98)
3	Net Profit / (Loss) for the period Before Tax (after Exceptional and/or Extraordinary items)	(2,106.02)	(1,929.98)
4	Net Profit/(Loss) for the period After Tax (after Exceptional and/or Extraordinary items)	(2,106.02)	(1,929.98)
5	Total Comprehensive Income for the period (comprising Profit/(Loss) for the period (after tax) and other comprehensive Income (after tax)		
6	Equity Share Capital	26,686.35	26,686.35
7	Earnings Per Shareof (Rs. 1 /- each) (for continuing and discontinued operations)		
	Basic :	(0.08)	(0.07)
	Diluted:	(0.08)	(0.07)

Note:

- The above is an extract of the detailed format of Financial Results for the Quarter ended 30th June, 2017 filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Financial Results for the Quarter ended 30th June, 2017 are available at the Company's website [www.birlacotsyn.com](http://www.birlacotsyn.com) and the website of the stock exchange i.e [www.bseindia.com](http://www.bseindia.com).
- The Company adopted Indian Accounting Standards (Ind AS) w.e.f 1st April, 2017 under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. Accordingly, the Financial Results of the Company for the quarter ended 30th June, 2017 have been prepared in accordance with Ind As and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5th July, 2015 further, the transition date being 1st April, 2016. Results for the quarter ended 30th June, 2017 have been presented after incorporating the applicable Ind As adjustments. The Reserve as per the Balance Sheet of the previous accounting year ended 31st March, 2017, not being mandatory is not presented.

The Company Adopted Indian Accounting Standards (Ind AS) from 1st April, 2017 and accordingly these Financial Results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS interim Financial Reporting prescribed.



For Birla Cotsyn (India) Limited

*Rakesh Kumar Dixit*

Rakesh Kumar Dixit

Director

DIN: 06655663

Place : Mumbai

Date : 14th September, 2017

# SAMRIA & CO.

CHARTERED ACCOUNTANTS

## INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF  
BIRLA COTSYN (INDIA) LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Statements of **BIRLA COTSYN (INDIA) LIMITED** ("the Company"), for the Quarter ended June 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33, of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as modified by Circular No. CIR /CFD/FAC/62/2016 dated July 5, 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our Review of Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountant of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free from any material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

### 3. Basis for Qualified Report

- i. *With reference Inter Corporate Deposits of Rs.16,85,28,884/- taken from various parties as at 30<sup>th</sup> June, 2017 in the absence of third party confirmation, reconciliation, if any and other supportive audit evidence, we are unable to comment upon such balances.*

*Further, few such parties have already filed winding up petition under section 271 and 272 of the Companies Act, 2013 ("the Act") against the Company for non-payment of dues. These matters are sub-judice and the impact, if any, of the outcome is unascertainable of this stage.*

- ii. *No provision has been made during the period for interest payable of Rs.46,69,650/- on Inter-Corporate and other Deposits taken by the Company. Consequently the loss for the period is lower by*



Rs.46,69,650/- and non-provision of interest of earlier periods on Inter-Corporate Loans is Rs.4,69,35,599/- and current liabilities are understated by Rs.5,16,05,249/- as at 30<sup>th</sup> June, 2017.

- iii. With reference to the dues to related parties of Rs.5,25,38,278/- and trade payables of Rs.15,45,79,194/- as at 30<sup>th</sup> June, 2017, in the absence of third party confirmation, reconciliation, if any and other supportive audit evidence, we are unable to comment upon such balances.
- iv. No provision has been made in the current period for interest payable of Rs.6,76,270/- on loans taken from related parties by the Company and non-provision of interest of earlier periods of Rs.99,44,782/-. Similarly no provision has been made for interest receivable for the period of Rs.83,38,083/- on loans given to related parties by the Company and non-provision of interest of earlier periods of Rs.7,14,91,876/-. Consequently the loss for the period is higher by Rs.76,61,813/-, and as at 30<sup>th</sup> June 2017 Other Current Liabilities is understated by Rs.1,06,21,052/- and Other Non-Current Assets is understated by Rs.7,98,29,959/-.
- v. With reference to Fixed Deposits accepted by the Company, the Company has defaulted in the repayment of depositors. The dues of such depositors as on 30<sup>th</sup> June, 2017 is Rs.3,77,68,900/-. The Hon'ble Company Law Board, Mumbai Bench passed an order dated 27<sup>th</sup> January, 2016 for rescheduling the repayment of the deposits for a specified period under section 58A(9) read with section 74(2) of the Companies Act, 2013. However the company has not repaid the deposits in compliance with the said order passed by the Hon'ble Company Law Board.
- vi. With reference to loans and advances of Rs.36,19,08,831/- given to four related parties, which have incurred losses and also have negative net worth (excluding Revaluation Reserves) as at 31<sup>st</sup> March 2016. In the absence of latest audited accounts and detailed information of projected cash flows as at 30<sup>th</sup> June 2017 or other supportive audit evidence, we are unable to comment upon its impairment, if any.
- vii. With reference to Plant & Machinery of Rs.43,59,33,029/- (net block) situated at factory units of the company which have been closed down and are not operating at the period end, in the absence of future cash flow projection about and information about the value in use, we are unable to comment upon its impairment provision, if any as per Ind AS 36 "Impairment of Assets".
- viii. With reference to loan given to Foreign subsidiary, the Company has not restated the same at exchange rate prevailing on the last day of the reported period as required by Ind AS 21 "The effect of changes in foreign exchange rates". As a result, the loan to foreign subsidiary for the period is understated by Rs.2,41,65,900/- and correspondingly Foreign Currency Translation Reserve for the period is also understated by Rs. 2,41,65,900/-.



- ix. *With reference to capital advance of Rs.22,62,340/- as at 30<sup>th</sup> June, 2017 given to various parties, in the absence of third party confirmation, reconciliation, if any and other supportive audit evidence, we are unable to comment upon its recoverability in cash or kind, if any.*
- x. *With reference to trade receivables of Rs.21,10,805/- as at 30<sup>th</sup> June, 2017 in the absence of third party confirmation, reconciliation, if any and other supportive audit evidence, we are unable to comment upon its balance recoverability, if any.*
- xi. *In respect of Incentive receivable under Mega Project scheme, the Company has provided for Rs.37,51,167/- (Previous year Rs.74,92,688/-) as incentive receivable. Under the package scheme of incentives of the Government, the Company was entitled to avail incentive of Rs.107.33 Crore for period of seven years from 31st March, 2008 to 30th March, 2015. In view of unutilized incentives, on expiry of the incentive period the Company has applied to the Department of Industries, Energy and Labour, Government of Maharashtra on 19th July 2016, for extension of the said incentive period by another 8 years till 30th March, 2023. The application is still pending for disposal. Pending the disposal of the application, the Company has continued to account for the incentives assuming the scheme period will be extended. If the application of the Company is rejected the income booked is liable to be reversed back.*

#### 4. Emphasis of Matter

- i. We draw attention to the net loss of Rs.21,06,01,580/- incurred by the Company during the period ended 30<sup>th</sup> June, 2017 and as of that date, the Company's accumulated losses aggregate to Rs.5,32,10,90,517/- resulting in complete erosion of its net worth. Further, as of that date, company's current liabilities exceeded its current assets by Rs.5,42,91,35,925/-. These factors along with other matters as set forth in said note raise substantial doubt about the company's ability to continue as a going concern in the foreseeable future. However, the company's financial statement has been prepared on going concern basis as disclosed by management in said note. Our opinion is not qualified in respect of this matter.
- ii. We draw attention to notice issued by consortium of banks under section 13(2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act 2002 for non-payment of principal and interest thereon after the due date by the company and therefore all loans accounts became Non Performing Assets effective from respective dates mentioned in such notice. We are informed that the company is contesting the action taken under section 13(4) of SARFAESI Act and therefore the matter is sub-judice. These factors along with other matters as set forth in said notice raise substantial doubt about the company's ability to continue as a going concern in the foreseeable future. However, the



company's financial statements have been prepared on going concern basis as disclosed by management in said note. Our opinion is not qualified in respect of this matter.

5. Based on our review conducted as above, subject to our observation in para 3 read with our comments in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Companies (Indian Accounting Standards) Rules, 2015 specified under section 133 of the Companies Act, 2013, and other recognized accounting practices and policies, generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as modified by Circular No. CIR /CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Samria & Co.

Chartered Accountants

Firm Registration No: 109043W



(Adhar Samria)

Partner

M.No. 049174



Dated: 14<sup>th</sup> September, 2017